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Behind the Headlines**U.S. Viet-Nam Reports Raise Queries**By ALBERT E. PRUDENCE
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A couple of government reports on South Viet-Nam should make Americans shudder and raise a few sticky questions.

One of the reports — referring to neutralization of South Viet-Nam — could make French President Charles de Gaulle look pretty smug.

The reports are by the Central Intelligence Agency and the General Accounting Office, the watchdog over possible graft or waste of the taxpayer's money.

The CIA report is by Willard Matthias and is entitled "Trends in the World Situation."

HE WROTE in part:

"If large-scale U. S. support continues and if further political deterioration within South Viet-Nam is prevented, at least a prolonged stalemate can be attained.



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"There is also a chance that political evolution within the country and developments upon the world scene could lead to some kind of negotiated settlement based upon neutralization."

NEUTRALIZATION is the solution offered by France, which battled the Reds in Southeast Asia from Dec. 19, 1946, until it surrendered July 21, 1954. Cost of the Indochina war was put by France at five billion dollars and 100,000 dead or missing.

One big question is what is behind the CIA report? Is the U. S. spy agency trying to influence U. S. policy? Is it preparing the public for a negotiated settlement and eventual withdrawal of U. S. forces from Southeast Asia?

State Department Press Officer Robert McCloskey said that the report prepared for the CIA's Board of Estimates does not reflect U. S. policy.

ANOTHER big question is how the report became public? Usually anything about the CIA is secret.

One report is that the report was released because a newspaper had obtained a

copy. But if such had been "leaked" to a reporter what else may have been "leaked" to Red spies? In short, has the CIA been penetrated by the opposition?

At least, the Reds in Southeast Asia now know that possibly the U. S. could be interested in negotiations and a neutralized South Viet-Nam. As the poet Thomas Campbell wrote more than 100 years ago, "Coming events cast their shadows before."

THE REPORT on use of U. S. funds in Viet-Nam covers the period 1958-1962 and questions whether some funds have been used wisely. Keep in mind, that the U. S. from 1955 through 1962 gave \$1,500,000,000 in aid to South Viet-Nam and that current aid amounts to more than \$1,500,000 a day.

Some of the funds, of course, go into commercial enterprises through private

businesses.

LOOK what happened to kerosene, whisky and perfume, according to the GAO report.

Kerosene, which most low-income groups use for lighting and cooking, was taxed by the Viet-Nam government at 40%; whisky, only afforded by the rich, had practically no tax. Expensive perfume carried a 10% tax, that used normally by the average person—35%.

U. S. inspectors for the GAO also noted that South Viet-Nam—accustomed to cotton stockings—developed a yen for nylon when the U. S. began providing the funds.

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